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U. S. NEWS & WORLD REPORT 20 June 1983

How Australia's Leader Views Ties With U.S.

Prime Minister Hawke is new to the job. But with Labor back in power for the first time in years, he wants to take a fresh look at relations with America.

CANBERRA.

Q. Mr. Prime Minister, what changes can be expected in Australian-American relations under your new Labor government? Do you want to loosen ties in any way?

A I certainly don't want to loosen them. It was a Labor government during the war years which established the relationship with the U.S., in the beginning of a quite fundamental change in the historical relations of Australia, which had hitherto been very much centered on the United Kingdom. We're building upon that, and we want to strengthen it.

When I talk about wanting a review of the ANZUS Treaty among Australia, New Zealand and the United States, I am identifying myself with things that have been said by leaders in the U.S. over a long period of time: That it makes good sense not merely in regard to this treaty but in any relationship between countries that they be subject to constant examination to see that they are relevant to current and foreseeable circumstances.

Q What elements of the treaty would you expect to review?

A From the time of President Nixon and through Carter as well, there's been an increasing expression of the U.S. view that its allies have to be prepared to accept a position of greater responsibility for their own defense. It is sensible for us to discuss what, between us, we may see as potential sorts of conflict situations that may arise for Australia. Within that overview, we should discuss relevance not merely of the treaty provisions but the nature of the defense forces Australia should develop as relevant to those perceptions and possible U.S. reactions to those situations. We are not saying that we see any immediate conflict threat. You have got to cast your perceptions down a longer avenue.

Q How seriously do you view the Soviet Union's growing military strength in the Pacific and Indian Ocean regions?

A The relationship of the Soviet Union with Vietnam, the buildup of facilities that they have at Cam Ranh Bay, should be a matter of continued surveillance and understanding. It provides the Soviets with a unique opportunity to extend surveillance activities into ocean areas adjacent to Australia's trade routes and in our area of security concern. That's not to say we read it as posing in any immediate sense a threat of aggression. Nevertheless, it's a situation that must be of some concern.

Then there is the northwest Indian Ocean, and particularly the Persian Gulf area, most dramatically illustrated, of course, in their subjugation of Afghanistan. If you look at the expansion of Soviet interest in the Horn of Africa, in Yemen, and see the influence they have through their Cuban

surrogates in parts of Africa, it would be a pretty unintelligent democracy which didn't have a concern about these developments.

Q In view of the controversy over intelligence cooperation, has the CIA abused its privileges in your nation?

A I think it's probably the case that intelligence services of all countries, given the nature of those agencies, have at times behaved in a way which the host country would not regard as entirely consistent with the sovereignty of that host country. In that sense, I have no reason to believe that the CIA has behaved differently than the intelligence agencies of other countries have behaved.

I don't feel any sense of unease at this time about the activities of the CIA in Australia or of the relationships of our intelligence agencies with the CIA. At the same time, the royal commission. I have established to investigate the activities of our intelligence agencies in its broad terms of reference will undoubtedly be looking at those relationships.

Q. Your party wants Australians to be involved in all aspects of operating U.S. bases here. Have you not been involved all along?

A It conveys that there is probably always room for improvement. I think the great majority of Australians would take this view. I don't think this is a view of my party particularly or my government. When you make a judgment in the relationship with your most important ally that it is appropriate to allow bases of that other country on your soil, you have made a decision that balances two considerations. It involves a judgment that the security of your country is going to be advanced. Against that, you know there are risks involved for your country in worst-case scenarios that could involve action against those bases.

My government—as with the previous government—has clearly made the decision that the balance of benefit lies with having those bases here. That is why we will be discussing with our friends in the U.S. to get a situation where we have as much knowledge as possible of exactly what is happening. I don't sense any opposition from the U.S. administration to that attitude we have.

 ${\bf Q}$ U.S. firms have about 9 billion dollars invested here. Do you intend to tighten controls on future investment?

A There's developed a largely bipartisan attitude toward foreign investment in this country. We would perhaps be a little more stringent in trying to persuade foreign investors to develop their programs in a way which allows a greater degree of Australian involvement in ownership and management. In fact, it's been my judgment that decisions that have been made since we've been in power to reject certain pro-

posals for foreign investment would have been made even if there hadn't been a change in government.

One area of concern where I think the previous government was not as stringent as it should have been in foreign investment is in acquisition of land; there hasn't been an adequate register kept of the disposition of Australian land to foreign investors. We're not saying we are going to stop that happening, but we want to get a clearer picture of the extent of the alienation of Australian land to foreign ownership. There will be a closer examination. But generally speaking, my government recognizes the need for foreign investment. We welcome it, and I think that view is generally understood by investors in the U.S. and in Japan and the United Kingdom.

